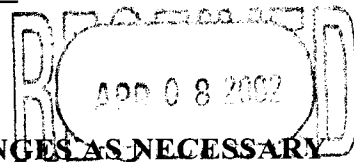


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

Director of Utilities

K

W-02886A
KOHL'S RANCH WATER COMPANY
2111 EAST HIGHLAND AVE. SUITE 210
PHOENIX AZ 85016-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

4-10-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Kohl's Ranch Water Company

Mailing Address Business Office: 2111 East Highland Avenue, Suite 210

(Street)

Phoenix

(City)

AZ

(State)

85016

(Zip)

602-957-2777

Telephone No. (Include Area Code)

602-957-2780

Fax No. (Include Area Code)

602-909-5305

Pager/Cell No. (Include Area Code)

Email Address jholbrook@ilxresorts.com

Local Office Mailing Address HC2 Box 96-K

(Street)

Payson

(City)

AZ

(State)

85541

(Zip)

928-478-4211

Local Office Telephone No. (Include Area Code)

928-478-0353

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address dalbright@ilxresorts.com

MANAGEMENT INFORMATION

Management Contact: John B. Holbrook Vice President

(Name)

(Title)

2111 East Highland, Suite 210

(Street)

Phoenix

(City)

AZ

(State)

85016

(Zip)

602-957-2777

Telephone No. (Include Area Code)

602-957-2780

Fax No. (Include Area Code)

602-909-5305

Pager/Cell No. (Include Area Code)

Email Address jholbrook@ilxresorts.com

On Site Manager: Dan Albright

(Name)

Kohl's Ranch, East Highway 260

(Street)

Payson

(City)

AZ

(State)

85541

(Zip)

928-478-4211

Telephone No. (Include Area Code)

928-478-0353

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address dalbright@ilxresorts.com

Statutory Agent: Nancy J. Stone

(Name)

2111 East Highland Avenue, Suite 210, Phoenix, AZ 85016

(Street)

(City)

(State)

(Zip)

602-957-2777

602-957-2780

N/A

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	--	--	--
302	Franchises	--	--	--
303	Land and Land Rights	--	--	--
304	Structures and Improvements	--	--	--
307	Wells and Springs	2,000.70	238.18	1,762.52
311	Pumping Equipment	35,465.72	30,517.84	4,947.88
320	Water Treatment Equipment	6,199.25	6,199.25	--
330	Distribution Reservoirs and Standpipes	--	--	--
331	Transmission and Distribution Mains	12,658.00	10,808.41	1,849.59
333	Services	--	--	--
334	Meters and Meter Installations	5,420.00	5,420.00	--
335	Hydrants	--	--	--
336	Backflow Prevention Devices	--	--	--
339	Other Plant and Misc. Equipment	--	--	--
340	Office Furniture and Equipment	150.00	150.00	--
341	Transportation Equipment	1,000.00	1,000.00	--
343	Tools, Shop and Garage Equipment	3,133.19	2,543.19	590.00
344	Laboratory Equipment	--	--	--
345	Power Operated Equipment	--	--	--
346	Communication Equipment	--	--	--
347	Miscellaneous Equipment	6,875.17	6,401.97	473.20
348	Other Tangible Plant	300.00	300.00	--
	TOTALS	73,202.03	63,578.84	9,623.19

This amount goes on the Balance Sheet Acct. No. 108



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	--	--	--
302	Franchises	--	--	--
303	Land and Land Rights	--	--	--
304	Structures and Improvements	--	--	--
307	Wells and Springs	2,000.70	.119	238.18
311	Pumping Equipment	35,465.72	.045	1,596.67
320	Water Treatment Equipment	6,199.25	--	--
330	Distribution Reservoirs and Standpipes	--	--	--
331	Transmission and Distribution Mains	12,658.00	.008	104.55
333	Services	--	--	--
334	Meters and Meter Installations	5,420.00	--	--
335	Hydrants	--	--	--
336	Backflow Prevention Devices	--	--	--
339	Other Plant and Misc. Equipment	--	--	--
340	Office Furniture and Equipment	150.00	--	--
341	Transportation Equipment	1,000.00	--	--
343	Tools, Shop and Garage Equipment	3,133.19	.233	729.00
344	Laboratory Equipment	--	--	--
345	Power Operated Equipment	--	--	--
346	Communication Equipment	--	--	--
347	Miscellaneous Equipment	6,875.17	.026	180.96
348	Other Tangible Plant	300.00	--	--
	TOTALS	73,202.03	.039	2,849.36

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 7,431.21	\$ 10,963.41
134	Working Funds	--	--
135	Temporary Cash Investments	--	--
141	Customer Accounts Receivable	(698.74)	(446.43)
146	Notes/Receivables from Associated Companies	--	--
151	Plant Material and Supplies	--	--
162	Prepayments	--	--
174	Miscellaneous Current and Accrued Assets	--	--
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 6,732.47	\$ 10,516.98
	FIXED ASSETS		
101	Utility Plant in Service	\$ 71,201.33	\$ 73,202.03
103	Property Held for Future Use	--	--
105	Construction Work in Progress	--	--
108	Accumulated Depreciation – Utility Plant	(60,729.48)	(63,578.84)
121	Non-Utility Property	--	--
122	Accumulated Depreciation – Non Utility	--	--
	TOTAL FIXED ASSETS	\$ 10,471.85	\$ 9,623.19
	TOTAL ASSETS	\$ 17,204.32	\$ 20,140.17

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ --	\$ --
232	Notes Payable (Current Portion)	--	--
234	Notes/Accounts Payable to Associated Companies	52,890.32	45,615.52
235	Customer Deposits	--	--
236	Accrued Taxes	--	--
237	Accrued Interest	--	--
241	Miscellaneous Current and Accrued Liabilities	--	10,210.65
	TOTAL CURRENT LIABILITIES	\$ 52,890.32	\$ 55,826.17
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ --	\$ --
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ --	\$ --
252	Advances in Aid of Construction	--	--
255	Accumulated Deferred Investment Tax Credits	--	--
271	Contributions in Aid of Construction	--	--
272	Less: Amortization of Contributions	--	--
281	Accumulated Deferred Income Tax	--	--
	TOTAL DEFERRED CREDITS	\$ --	\$ --
	TOTAL LIABILITIES	\$ 52,890.32	\$ 55,826.17
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ (2,250.00)	\$ (2,250.00)
211	Paid in Capital in Excess of Par Value	(40,628.97)	(40,628.97)
215	Retained Earnings	7,192.97	7,192.97
218	Proprietary Capital (Sole Props and Partnerships)	--	--
	TOTAL CAPITAL	\$ (35,686.00)	\$ (35,686.00)
	TOTAL LIABILITIES AND CAPITAL	\$ 17,204.32	\$ 20,140.17

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 11,016.60	\$ 11,186.20
460	Unmetered Water Revenue	--	--
474	Other Water Revenues	--	--
	TOTAL REVENUES	\$ 11,016.60	\$ 11,186.20
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 9,081.00	\$ 6,516.55
610	Purchased Water	--	--
615	Purchased Power	159.36	147.38
618	Chemicals	66.28	16.76
620	Repairs and Maintenance	1,437.73	3,527.51
621	Office Supplies and Expense	439.72	82.79
630	Outside Services	1,350.00	18,791.40
635	Water Testing	3,476.10	2,600.00
641	Rents	326.10	--
650	Transportation Expenses	--	--
657	Insurance – General Liability	--	--
659	Insurance - Health and Life	--	--
666	Regulatory Commission Expense – Rate Case	--	--
675	Miscellaneous Expense	790.34	547.00
403	Depreciation Expense	2,584.07	2,849.36
408	Taxes Other Than Income	1,082.94	2,162.04
408.11	Property Taxes	651.98	735.11
409	Income Tax	50.00	50.00
	TOTAL OPERATING EXPENSES	\$ 21,495.62	\$ 38,025.90
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ --	\$ --
421	Non-Utility Income	--	--
426	Miscellaneous Non-Utility Expenses	--	--
427	Interest Expense	--	--
	TOTAL OTHER INCOME/EXP	\$ --	\$ --
	NET INCOME/(LOSS)	\$ (10,479.02)	\$ (26,839.70)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	NONE			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ N/A
--	--------

Meter Deposits Refunded During the Test Year	\$
--	----

COMPANY NAME	Kohl's Ranch Water Company
---------------------	----------------------------

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Flowing Spring		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
1.5 HP	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

STATISTICAL INFORMATION

Total number of customers	123
Total number of gallons sold	6,071,745 gallons

COMPANY NAME Kohl's Ranch Water Company **YEAR ENDING 12/31/2001**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>Loss</u>
Estimated or Actual Federal Tax Liability	<u>None</u>

State Taxable Income Reported	<u>Loss</u>
Estimated or Actual State Tax Liability	<u>\$50.00</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>--</u>
Amount of Gross-Up Tax Collected	<u>--</u>
Total Grossed-Up Contributions/Advances	<u>--</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

April 3, 2002

DATE

Nancy J. Stone

PRINTED NAME

President

TITLE

COMPANY NAME Kohl's Ranch Water Company **YEAR ENDING 12/31/2001**

WATER AND SEWER UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

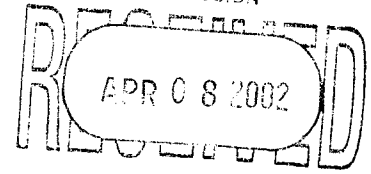
\$ 735.11

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Maricopa
NAME (OWNER OR OFFICIAL) TITLE John B. Holbrook, Vice President
COMPANY NAME Kohl's Ranch Water Company

Director of Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2001
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 11,186.20

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 396.77

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

John B. Holbrook
SIGNATURE OF OWNER OR OFFICIAL
602-957-2777

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

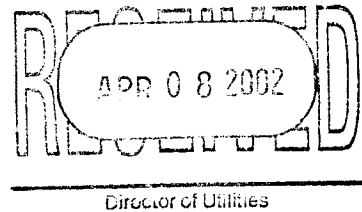
THIS 3rd DAY OF

COUNTY NAME Maricopa	
MONTH April	20 02

Dorinne R. Dobson
SIGNATURE OF NOTARY PUBLIC

DORINNE R. DOBSON
Notary Public -- State of Arizona
MY COMMISSION EXPIRES AUGUST 31, 2003

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	Maricopa	
NAME (OWNER OR OFFICIAL)	John B. Holbrook	TITLE Vice President
COMPANY NAME	Kohl's Ranch Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 11,186.20

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 396.77

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X John B. Holbrook
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

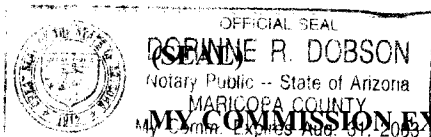
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3rd

DAY OF

NOTARY PUBLIC NAME Dorinne R. Dobson	
COUNTY NAME Maricopa	
MONTH April	20 02



MY COMMISSION EXPIRES 8/31/03

X Dorinne R. Dobson
SIGNATURE OF NOTARY PUBLIC

2000 TAX NOTICE

JAN. 1, 2000
TO
DEC. 31, 2000

COUNTY OF GILA

ARIZONA

ADDRESS: P O BOX 1093
GLOBE AZ 85502LEGAL DESCRIPTION: SECTION TWN RNG ACRES
TOTAL VALUE OF OPERATING PROPERTY USE 5500

TAX ROLL NUMBER

34639

PARCEL IDENTIFICATION

913-81-000 7

TAX AREA CODE

1000

IMPORTANT - SEE REVERSE SIDE
FOR COMPLETE EXPLANATION OF
YOUR 2000 TAX NOTICE AND
PAYMENT INSTRUCTIONS.

913-81-000 7 34639

KOHLS RANCH WATER CO
JOHN B HOLBROOK/VP
2111 E HIGHLAND AVE STE 210
PHOENIX AZ 85016

2000 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX	633.00
LESS STATE AID TO EDUCATION	0.00
NET PRIMARY AD VALOREM TAX	633.00
SECONDARY AD VALOREM TAX	138.54
SPECIAL DISTRICT TAX	0.00

PAY TOTAL OR HALF TAX

TOTAL TAX DUE	771.54
HALF TAX	385.77

DELINQUENT DATES

1st HALF NOV. 1, 2000
2nd HALF MAY 1, 2001THIS IS THE ONLY NOTICE YOU WILL RECEIVE
NO RECEIPT WILL BE SENT UNLESS REQUESTED

PRIMARY PROPERTY TAX CALCULATION (1)

ITEM	LIMITED VALUE	ASSTMT.%	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	0	25.0	0	0	9.0107	0.00
PERSONAL PROPERTY	28,100	25.0	7,025	0	9.0107	633.00
TOTALS	28,100		7,025	0		633.00

SECONDARY PROPERTY TAX CALCULATION (2)

ITEM	FULL CASH VALUE	ASSTMT.%	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	0	25.0	0	0	1.9719	0.00
BLDGS, ETC.	0	0	0	0	0	0.00
PERSONAL PROPERTY	28,100	25.0	7,025	0	1.9719	138.54
TOTALS	28,100		7,025	0		138.54

1999-2000 TAX COMPARISON (4)

TAX CODE	TAX JURISDICTION	2000 PRIMARY	2000 SECONDARY	2000 TOTAL	1999 TOTAL	DIFFERENCE
02000	GILA COUNTY	278.89	0.00	278.89	194.54	84.35
02002	SCHOOL EQUALIZATION	35.99	0.00	35.99	25.56	10.43
07010	PAYSON SD #10	318.12	76.41	394.53	267.24	127.29
08150	GILA PUEBLO COMMUNITY COLLEGE	0.00	41.05	41.05	28.30	12.75
11900	FIRE DISTRICT ASSISTANCE FUND	0.00	7.03	7.03	4.90	2.13
14900	GILA COUNTY LIBRARY DISTRICT	0.00	14.05	14.05	11.88	2.17
	TOTALS	633.00	138.54	771.54	532.42	239.12

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS
GILA COUNTY TREAS.
P O BOX 1093
GLOBE AZ 85502

TAX ROLL NUMBER

34639

PARCEL IDENTIFICATION

913-81-000 7

TAX AREA CODE

1000

RECEIPT REQUESTED ()

KOHLS RANCH WATER CO
2111 E HIGHLAND AVE STE
PHOENIX AZ 85016*IF TOTAL TAX DUE IS \$50.00 OR LESS FULL AMOUNT IS DUE NOW.
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

2000 2ND HALF COUPON

TO PAY 2ND HALF	PAY	385.77
-----------------	-----	--------

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2001



0491381000007200000000038577

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS
GILA COUNTY TREAS.
P O BOX 1093
GLOBE AZ 85502

TAX ROLL NUMBER

34639

PARCEL IDENTIFICATION

913-81-000 7

TAX AREA CODE

1000

RECEIPT REQUESTED ()

KOHLS RANCH WATER CO
2111 E HIGHLAND AVE STE
PHOENIX AZ 85016*IF TOTAL TAX DUE IS \$50.00 OR LESS FULL AMOUNT IS DUE NOW.
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

2000 1ST HALF COUPON

TO PAY 1ST HALF ONLY	PAY	385.77
TO PAY FULL YEAR TAX	PAY	771.54

NOTE: 1st HALF TAXES DELINQUENT AFTER NOV 1, 2000



0491381000007200000000038577

SCHOOL DISTRICT TAX RATE INFORMATION

SCHOOL DISTRICT NAME	PRIMARY TAX RATE	SECONDARY TAX RATE FOR BUDGET OVERRIDES	SECONDARY TAX RATE FOR CLASS A BONDS	SECONDARY TAX RATE FOR CLASS B BONDS
PAYSON SD #10	4.5284	1.0875	0.0000	0.0000

School district budget overrides result from voter approval to exceed a budget, tax, or expenditure limitation. Class A Bonds are general obligation bonds approved by voters prior to January 1, 1999. Class B Bonds are general obligation bonds approved by voters after December 31, 1998.

TAX NOTICE EXPLANATION

- (1) **PRIMARY PROPERTY TAX CALCULATION** - Primary property taxes are those ad valorem taxes levied for the maintenance and operation of counties, cities, towns, school districts, and community college districts. The valuation used to calculate primary ad valorem taxes is referred to as "Limited" value. This value cannot exceed the full cash value. It is based on the previous year's limited value increased by either 10% or 25% of the difference between the full cash value of the current year and the limited value of the prior year whichever is greater, plus the value of any personal property secured to your parcel. If your property has changed as defined in A.R.S. 42-13302 Sec. A since the previous year, your limited value may have increased more than the greater of 10% or 25% of the difference as explained above.
- (2) **SECONDARY PROPERTY TAX CALCULATION** - Secondary property taxes are ad valorem taxes levied to pay the following: (a) the redemption charges on any bonded indebtedness or other long-term obligation lawfully incurred by any taxing district, (b) additional amounts required pursuant to an election to exceed a budget, expenditure or tax limitation of a particular taxing district, (c) "limited purpose districts" such as fire, sanitary, flood control, road and improvement districts. The valuation used to calculate secondary ad valorem taxes is based on the current full cash value of your land and improvements as determined by the county assessor plus the current value of any personal property secured to your parcel.
- (3) **TAX SUMMARY**
PRIMARY AD VALOREM TAX - The gross taxes calculated on your limited value.
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(A.R.S. 42-18052 Sec. B)
3. If first half taxes are not paid by November 1st, interest starts the 2nd day of November, 2000. However, if your total tax due is greater than \$50.00 and you pay the full year taxes by December 31, 2000 no interest will be charged. Second half taxes are due March 1, 2001 and interest starts the second day of May, 2001.
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ADDRESS CORRECTIONS

NAME
NEW ADDRESS
NEW CITY, STATE, ZIP

ADDRESS CORRECTIONS

NAME
NEW ADDRESS
NEW CITY, STATE, ZIP

AN ARTIFICIAL WATER MARK IS PRESENT ON THE REVERSE SIDE

ILX
INCORPORATED



2/2 27113, 27147, 27148,
2111 E. Highland Ave., Suite 210
Phoenix, AZ 85016
(602) 957-2777
27149, 27150,
27151, 27200 28282

BANK ONE, ARIZONA, NA
201 N. Central Ave.
Phoenix, AZ 85001

051636

LOS ABIGADOS RESORT • SEDONA VACATION CLUB • GOLDEN EAGLE RESORT

34639

DATE

04/25/01

CHECK NO.

051636

AMOUNT

*****\$14,395.46

FOURTEEN THOUSAND THREE HUNDRED NINETY-FIVE AND 46/100 Dollars

PAY
TO THE
ORDER OF

GILA COUNTY TREASURER
PRIS KNUCKEY-RALLS
P.O. BOX 1093
GLOBE, AZ 85502

Joseph P. Montan
Francis J. Stone

SIGNATURE

DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

⑈051636⑈ ⑆122100024⑆

2357⑈1965⑈

⑈0001639546⑈

PAY TO THE ORDER OF
BANK ONE, ARIZONA, NA
PHOENIX, ARIZONA
▲ 122100024 ▲
FOR DEPOSIT ONLY
GILA COUNTY TREASURER
11804047

YOUR ENDORSEMENT IN THE ABOVE AREA ONLY
DO NOT SIGN, WRITE OR STAMP BELOW THIS LINE

FOR DEPOSITORY BANK USE ONLY

9381 21125
0331 21125

122100024
BANK ONE, NA
PHOENIX, ARIZONA
APR 27 2001
122100024

APR 27 01

SUBSEQUENT COLLECTING BANK USE ONLY

11 10 09 08 07 06 05 04 03 02 01

AP 01 27

122100024

BANK ONE, ARIZONA, N.A.
PHOENIX, ARIZONA



The security features on this document include fluorescent fibers,
an artificial watermark on the reverse side and chemical protection.
Absence of these features or the appearance of brown or blue
stains may indicate alteration.

Priestella M. L. Knuckey
Treasurer Gila County, Arizona
04/27/01
913-81-000-- -7 REAL 80-00034439
TOTAL VALUE OF OPERATING PROPERTY
TAXES PAID: 385.77
TOTAL AMOUNT PAID: 385.77

PAID BY: ILX INCORPORATED
3 B CHK 385.77

* * * 04/27/01 * * * * * 10:47 * * *

LEGAL DESCRIPTION: SECTION TWN RNG ACRES
TOTAL VALUE OF OPERATING PROPERTY

USE 5500

TAX ROLL NUMBER

34817

PARCEL IDENTIFICATION

913-81-000 7

TAX AREA CODE

1000

IMPORTANT - SEE REVERSE SIDE
FOR COMPLETE EXPLANATION OF
YOUR 2001 TAX NOTICE AND
PAYMENT INSTRUCTIONS.

913-81-000 7 34817

KOHLS RANCH WATER CO
JOHN B HOLBROOK/VP
2111 E HIGHLAND AVE STE 210
PHOENIX AZ 85016

2001 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX	594.5
LESS STATE AID TO EDUCATION	0
NET PRIMARY AD VALOREM TAX	594.5
SECONDARY AD VALOREM TAX	104.1
SPECIAL DISTRICT TAX	0

PAY TOTAL OR HALF TAX

TOTAL TAX DUE	698.6
HALF TAX	349.3

DELINQUENT DATES

1st HALF NOV. 1, 2001

2nd HALF MAY 1, 2002

THIS IS THE ONLY NOTICE YOU WILL RECEIVE
NO RECEIPT WILL BE SENT UNLESS REQUESTED

PRIMARY PROPERTY TAX CALCULATION (1)

ITEM	LIMITED VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	0	250	0	0	99504	00
PERSONAL PROPERTY	23900	250	5975	0	99504	59454
TOTALS	23900		5975	0		59454

SECONDARY PROPERTY TAX CALCULATION (2)

ITEM	FULL CASH VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	0	250	0	0	17427	00
BLDG, ETC.	0	0	0	0	0	00
PERSONAL PROPERTY	23900	250	5975	0	17427	10414
TOTALS	23900		5975	0		10414

2000-2001 TAX COMPARISON (4)

TAX CODE	TAX JURISDICTION	2001 PRIMARY	2001 SECONDARY	2001 TOTAL	2000 TOTAL	DIFFERENCE
02000	GILA COUNTY	26350	00	26350	27889	-1539
02002	SCHOOL EQUALIZATION	2972	00	2972	3599	-627
07010	PAYSON SD #10	30132	5101	35233	39453	-4220
08150	GILA PUEBLO COMMUNITY COLLEGE	00	3520	3520	4105	-585
11900	FIRE DISTRICT ASSISTANCE FUND	00	598	598	703	-105
14900	GILA COUNTY LIBRARY DISTRICT	00	1195	1195	1405	-210
	TOTALS	59454	10414	69868	77154	-7286

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS
GILA CO. TREASURER
POST OFFICE BOX 1093
GLOBE AZ 85502

TAX ROLL NUMBER 34817
PARCEL IDENTIFICATION 913-81-000 7
TAX AREA CODE 1000

RECEIPT REQUESTED ()

KOHLS RANCH WATER CO
2111 E HIGHLAND AVE STE
PHOENIX AZ 85016

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GILA CO. TREASURER
POST OFFICE BOX 1093
GLOBE AZ 85502

TAX ROLL NUMBER 34817
PARCEL IDENTIFICATION 913-81-000 7
TAX AREA CODE 1000

RECEIPT REQUESTED ()

KOHLS RANCH WATER CO
2111 E HIGHLAND AVE STE
PHOENIX AZ 85016PLEASE RETURN
BOTH COUPONS
WHEN PAYING
FULL YEAR TAX*IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

2001 2ND HALF COUPON

O PAY 2ND HALF PAY 349.34

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2002



0491381000007200100000034934

2001 1ST HALF COUPON

TO PAY 1ST HALF ONLY PAY 349.34
TO PAY FULL YEAR TAX PAY 698.68

NOTE: 1st HALF TAXES DELINQUENT AFTER NOV 1, 2001



0491381000007200100000034934

SCHOOL DISTRICT TAX RATE INFORMATION

SCHOOL DISTRICT NAME	PRIMARY TAX RATE	SECONDARY TAX RATE FOR BUDGET OVERRIDES	SECONDARY TAX RATE FOR CLASS A BONDS	SECONDARY TAX RATE FOR CLASS B BONDS
PAYSON SD #10	5.0430	0.8535	0.0000	0.0000

School district budget overrides result from voter approval to exceed a budget, tax, or expenditure limitation. Class A Bonds are general obligation bonds approved by voters prior to January 1, 1999. Class B Bonds are general obligation bonds approved by voters after December 31, 1998.

TAX NOTICE EXPLANATION

- (1) **PRIMARY PROPERTY TAX CALCULATION** - Primary property taxes are those ad valorem taxes levied for the maintenance and operation of counties, cities, towns, school districts, and community college districts. The valuation used to calculate primary ad valorem taxes is referred to as "Limited" value. This value cannot exceed the full cash value. It is based on the previous year's limited value increased by either 10% or 25% of the difference between the full cash value of the current year and the limited value of the prior year whichever is greater, plus the value of any personal property secured to your parcel. If your property has changed as defined in A.R.S 42-13302 Sec. A since the previous year, your limited value may have increased more than the greater of 10% or 25% of the difference as explained above.
- (2) **SECONDARY PROPERTY TAX CALCULATION** - Secondary property taxes are ad valorem taxes levied to pay the following: (a) the redemption charges on any bonded indebtedness or other long-term obligation lawfully incurred by any taxing district, (b) additional amounts required pursuant to an election to exceed a budget, expenditure or tax limitation of a particular taxing district, (c) "limited purpose districts" such as fire, sanitary, flood control, road and improvement districts. The valuation used to calculate secondary ad valorem taxes is based on the current full cash value of your land and improvements as determined by the county assessor plus the current value of any personal property secured to your parcel.
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NEW CITY, STATE, ZIP

AN ARTIFICIAL WATER MARK IS PRESENT ON THE REVERSE SIDE



1/2-27269-A-27302/27303-
2111 E. Highland Ave., Suite 210
Phoenix, AZ 85016
(602) 957-2777

LOS ABRIGADOS RESORT • SEDONA VACATION CLUB • GOLDEN EAGLE RESORT

BANK ONE, ARIZONA, NA
201 N. Central Ave.
Phoenix, AZ 85001

91-2/1221

1/2-34817 058185
1/2-980687
A-27306
27304
27305
27307
27356
27370
27371
DATE
10/26/01
CHECK NO.
058185
AMOUNT
*****\$15,969.78

FIFTEEN THOUSAND NINE HUNDRED SIXTY-NINE AND 78/100 Dollars

GILA COUNTY TREASURER
PRIS KNUCKEY-RALLS
P.O. BOX 1093
GLOBE, AZ 85502

PAY
TO THE
ORDER OF

Joseph P. Mantow
Nancy J. Simon
AUTHORIZED SIGNATURE

DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

⑈058185⑈ ⑆122100024⑆

2357⑈1965⑈

⑈0001596⑈ *John*

FOR DEPOSITORY BANK USE ONLY

11-21-50

12-11-60 00244

350

SUBSEQUENT COLLECTING BANK USE ONLY

060690

The security features on this document include fluorescent fibers, an artificial watermark on the reverse side and enhanced protection. Absence of these features or the appearance of brown or blue